are:- (i) downturn in travel and tourism, leading to over supply of room capacity and very low yields consequent on competitive rate reduction; (ii) increase in salary burden, due to finalisation of various wage agreements which were pending since 1.1.1997; (iii) Air India's hub and spoke policy leading to reduced requirement of passenger accommodation, specially at Mumbai and Delhi where HCI hotels are located; (iv) global recessionary trends have led to drop in tourist arrival heading to reduced occupancy; (v) the Indian economy itself is passing through recessionary trend, with the result most of the companies have resorted to cost cutting severely affecting the hotel industry and (vi) due to the slow down in economy and the recessionary trends, the hotels are offering rooms at very competitive rates which are at times even lower than HCI's discounted rates,

(c) and (d) There is no proposal to wind-up/close-down of Centaur Hotel, New Delhi. However, Government has decided to disinvest HCI which is a subsidiary of Air India Limited. The revenues thus realised will accrue to Air India.

Regular flights from Bagdogra to Kolkata

2897. PROF. (SHRIMATI) BHARATI RAY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government have received any proposal from Airports Authority, West Bengal regarding regular flights .from. Bagdogra to Kolkata and vice-versa;

(b) if so, the details thereof; and

(c) what is Government's reaction thereto?

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN): (a) to (c) In the recent past, requests have been received from Government of West Bengal regarding increase, in services between Bagdogra and Kolkata. In the Summer Schedule, Indian Airlines was operating three days in a week service

between Kolkata and Bagdogra. The frequency of operation of this service has been increased to five days a week in the winter Schedule effective 28th October, 2001.

Upgradation of Madurai Airport

2898. PROF. (SHRIMATI) BHARATI RAY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether there has been a long pending demand with Government to modernize and upgrade the Madurai Airport in Tamil Nadu to meet the international demands;

(b) if so, what is Government's reaction thereto; and

(c) by when a favourable decision is likely to be taken?

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN): (a) to (c) There have been demands from Members of Parliament and Tamil Nadu Chamber of Commerce and Industry for modernisation and upgradation of Madurai Airport. Airports Authority of India (AAI) has following plans for upgradation / modernisation of Madurai Airport:^

(i) Construction of new terminal building for 400 passengers at a time.

(ii) Strengthening and extension of runway from 5900 ft. to 7500 ft. for AB,-320 class of aircraft operations.

State Government have been requested to acquire 60 acres of land for extension of runway. AAI has deposited Rs. 3.05 crores with the State District Authorities for compensation to the land owners. Work can be taken up after the required land, free from all encumbrances, is handed over by the State Government to AAI.